

SENATE RECORD VOTE ANALYSIS

104th Congress
1st Session

Vote No. 177

May 23, 1995, 4:07 p.m.
Page S-7197 Temp. Record

BUDGET RESOLUTION/Federal FTE Positions Cut

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Roth amendment No. 1121.

ACTION: AMENDMENT REJECTED, 50-50

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Roth amendment would express the sense of the Senate that the number of full-time-employee (FTE) equivalent positions within the Federal Government should be reduced to 1,682,300 (200,000 more than currently planned) by FY 2002, and that of the additional reduction of 200,000 FTE positions no more than 50,000 should be from the Department of Defense.

Those favoring the amendment contended:

The Roth amendment would reduce the Federal payroll by 200,000 over the next 7 years, consistent with the downsizing and streamlining proposals in the Domenici budget before us and consistent with the Roth-Kasich proposal to reform the Pentagon procurement process. Specifically, it would reduce non-defense employment by 150,000 and defense employment by 50,000. These reductions would come on top of the 272,900 positions that have already been proposed for elimination by the Federal Workforce Restructuring Act of 1994.

(See other side)

YEAS (50)			NAYS (50)			NOT VOTING (0)	
Republicans (47 or 87%)		Democrats (3 or 7%)	Republicans (7 or 13%)		Democrats (43 or 93%)	Republicans (0)	Democrats (0)
Abraham	Inhofe	Baucus	Burns	Akaka	Johnston		
Ashcroft	Jeffords	Biden	Cohen	Bingaman	Kennedy		
Bennett	Kempthorne	Feingold	Domenici	Boxer	Kerrey		
Bond	Kyl		Gorton	Bradley	Kerry		
Brown	Lott		Hatfield	Breaux	Kohl		
Campbell	Lugar		Kassebaum	Bryan	Lautenberg		
Chafee	Mack		Warner	Bumpers	Leahy		
Coats	McCain			Byrd	Levin		
Cochran	McConnell			Conrad	Lieberman		
Coverdell	Murkowski			Daschle	Mikulski		
Craig	Nickles			Dodd	Moseley-Braun		
D'Amato	Packwood			Dorgan	Moynihan		
DeWine	Pressler			Exon	Murray		
Dole	Roth			Feinstein	Nunn		
Faircloth	Santorum			Ford	Pell		
Frist	Shelby			Glenn	Pryor		
Gramm	Simpson			Graham	Reid		
Grams	Smith			Harkin	Robb		
Grassley	Snowe			Heflin	Rockefeller		
Gregg	Specter			Hollings	Sarbanes		
Hatch	Stevens			Inouye	Simon		
Helms	Thomas				Wellstone		
Hutchison	Thompson						
	Thurmond						

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

On the non-defense side, the Domenici budget calls for the elimination of the Department of Commerce and the elimination or phase out of nearly 150 Federal programs and functions. Our estimates, which are supported by General Accounting Office figures, show that with these programmatic changes alone more than 150,000 positions could be eliminated. However, we are not suggesting that these areas would be the only areas in which reductions should be made. As our colleagues have noted, the Federal Government is top-heavy in management, with an average of 1 supervisor for every 7 employees, instead of the private industry average of 1 to 15. What they have not noted, though, is that the problem does not stop there. The Federal Government has also failed to adjust its workforce to meet the modern information age. It is still using the same bureaucratic structures and employment patterns that were in place before the invention of the typewriter. Unlike private industries, which have generally streamlined their workforces by 20 percent or more in the past few years, the Federal Government has failed to make any substantive improvements in the efficiency or effectiveness of its delivery of services.

Those Senators who are so quick to declare the brilliance of President Clinton's workforce reduction proposal, which Congress passed, have failed to mention that fully 208,000 of the proposed 272,000 reductions in full-time-employees (FTE) positions will come out of the Defense Department. Those reductions are not merely to promote efficiency--they are to reduce our military forces to levels which we frankly believe are dangerously small. Of the remaining cuts that are supposed to occur in non-defense agencies, we point out to our colleagues that many of the positions that the President has proposed eliminating are positions which are not currently filled. We have mentioned these facts not to denigrate the President's efforts, but to point out that the agency-by-agency analysis that he employed to arrive at his 272,000 figure, and which seems to have so impressed some of our colleagues, failed to find that it was possible to reduce Federal personnel in non-defense agencies by more than a minuscule amount.

The Senate has had debates similar to this debate in the past. For example, a couple of years ago Senator Hutchison proposed a 7-percent reduction in the legislative branch's budget. Certain Senators argued that such a cut would result in devastating reductions in the most popular items covered in that budget, such as the Library of Congress. That proposal was narrowly defeated. This year, though, Congress has passed a 15-percent reduction in that budget, the Library of Congress continues to operate, and the sky has yet to fall. Today, the argument raised against the Roth amendment is that if we really cut 150,000 FTEs from the non-defense portion of the budget, we cannot possibly do it wisely. Somehow, according to our colleagues, Congress will be helpless to prevent the firing of everyone at the National Institutes of Health or at other popular Government agencies. We respectfully suggest that our colleagues are wrong.

As for the 50,000 proposed reduction from the Defense Department, the intent of that reduction is not to reduce the size of our defense forces but to improve our military by fixing its procurement system. Currently, the irrational defense procurement process has 20 layers of bureaucracy. No other organization on earth can rival it for sheer redundancy and inertia, which is further multiplied by each branch of the military service having its own procurement system. This enormous bureaucracy yields poor results. A recent Defense Department study found that defense programs, on average, are both over budget and overdue by one-third. With the stingy amounts that most of our colleagues are willing to spend on defense these days, especially on procurement, such poor performance levels cannot be allowed to continue.

The Roth amendment assumes the reform of the procurement process by adoption of the Roth-Kasich Defense Acquisition Management Reform Act. That Act would combine the procurement systems of the military services into one centralized system, and in the process would reduce the 20 existing levels of bureaucracy into three. It would then require the Pentagon to follow the same lean, results-oriented approach that is used by globally competitive high-technology firms. These companies, which often deal with the same type of emerging and highly esoteric products with which the Pentagon deals, typically make procurements on an incentive system. Bonuses are awarded for projects which come in ahead of time or under budget, penalties are applied against projects which are late or over budget, and projects which are clearly failing are canceled. Following this lead, the Roth-Kasich bill would provide bonuses for projects that are 10 percent under budget or completed 10 percent ahead of time, would apply similar penalties for projects that are over budget or late, and would cancel any project that is more than 50 percent over budget. Those Senators who argue it is not possible to procure advanced technology products efficiently are ignoring private industry's success, which we intend to emulate.

The Roth amendment's proposed reductions in FTE Federal employment were not pulled out of thin air, nor are they in any way intended to denigrate the efforts of current Federal employees. Instead, they are based on current efforts to reduce, redesign, and improve the operations of the Federal Government. We support these efforts, and we support the Roth amendment.

Those opposing the amendment contended:

The Roth amendment unfairly picks on a favorite whipping boy of certain Senators: the nameless, faceless, lazy, overpaid, Federal bureaucrat. Morale among the dedicated men and women of the Federal workforce is understandably very low, considering that this type of uncharitable description is so frequently made of them, and is often accompanied by attempts to fire them or cut their pay. This budget resolution is no different--it will cancel \$85 billion in pay adjustments that are made by law in an attempt to keep their salaries equivalent with their private sector counterparts. With this type of attitude, we are in danger of creating a self-fulfilling prophecy--talented individuals will eschew a life of public service if they know they will be constantly abused by politicians willing

MAY 23, 1995**VOTE NO. 177**

to portray their efforts falsely, and the quality of needed Government services will fall precipitously.

The cuts already in this resolution are apparently not enough for some of our colleagues, because they have proposed an additional reduction of 200,000 FTEs over the next 7 years, which will be in addition to the 272,000 reduction that is now ongoing. We are not complaining about the 272,000 reduction; that reduction was made after a careful, agency-by-agency review of workforce requirements, was sensibly aimed at reducing the unacceptably high supervisor-to-worker ratio, and was humanely softened by generous buyout policies to lessen the need for layoffs.

None of these features can be found in the Roth amendment. No agency-by-agency analysis has been done. Instead, the assumption seems to be that every employee at the Department of Commerce, which is slated for termination by this budget, as well as every employee at every other agency or program which is slated for termination, will be fired. Obviously this assumption is wrong. We know, for example, that many of the Department of Commerce's functions will not be eliminated, but will be transferred to other Departments, and employees will be needed to carry out those functions. Similarly, the Roth amendment would not make any effort to make sure that reductions were made in the higher levels of the workforce, instead of just at the entry-level, nor would it do anything to try and soften the blow of its proposed reductions.

The defense reduction numbers are based on a more detailed level of analysis. Unfortunately, that analysis is faulty. Our colleagues assume that it will be possible to procure sophisticated weapon systems on strict timelines and under strict budgets. This assumption ignores the reality that to stay on the cutting edge of defense technology it is necessary to be willing to design and redesign new weapons systems as one goes along. Often, chances need to be taken--we may think a new missile system may work and give us a distinct technical edge, but we are almost certainly going to run into unforeseen problems, and we may even find that it cannot be made to work without 100 percent, 200 percent, or higher cost overruns. Adopting the policy that is advocated by the Roth amendment would force our military services to buy less than state-of-the-art weaponry, because only such inferior, but proven, weaponry can be made with a reasonable estimation of costs.

In summary, we share our colleagues' desire to see that Government operates efficiently and effectively. However, we do not believe that the Roth amendment is constructive. It seems to have been proposed on the unsubstantiated belief that we have too many Federal employees, and it offers no cogent plan for reducing the workforce fairly or wisely. We therefore urge its rejection.